

Mr. V. Micheal Alverson
Whiting Clean Energy
2155 Standard Avenue
Whiting, Indiana 46394

Re: Minor Permit Modification No:
089-12600-00449

Dear Mr. Anderson:

Whiting Clean Energy was issued a permit CP 089-11194-00449 on July 20, 2000 for the construction and operation of an industrial steam and electric power cogeneration plant . On August 10, 2000, a letter was received from Whiting Clean Energy requesting transfer of ownership of excess VOC emission reduction credits to Ispat Inland Inc. located in East Chicago, Indiana was received. On November 29, 2000, a letter was received clarifying the transfer of ownership of 260 tons of VOC to Ispat Inland Inc.

The proposed Minor Source Modification approval will be incorporated into permit CP 089-11194-00449.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter call (800) 451-6027, press 0 and ask for Teresa Freeman or extension 4-1243, or dial (317) 234-1243.

Sincerely,

Paul Dubenetzky, Chief
Permits Branch
Office of Air Management

Attachments

TLF

cc: File - Lake County
U.S. EPA, Region V
Lake County Health Department
Northwest Regional Office
Air Compliance Section Inspector - Rick Massoels
Compliance Data Section - Karen Nowak
Administrative and Development - Janet Mobley
Technical Support and Modeling - Michele Boner
ISPAT Inland, Inc.- Jim Carson
BP Amoco Oil-Whiting Refinery-Steve Simko

PART 70 MINOR PERMIT MODIFICATION OFFICE OF AIR MANAGEMENT

**Whiting Clean Energy, Inc.
2155 Standard Avenue
Whiting, Indiana 46394**

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this approval.

This approval is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

First Permit Modification No.: 089-12600-00449	affected page 21
Issued by: Paul Dubenetzky, Branch Chief Office of Air Management	Issuance Date:

D.1.6 Emission Reduction Credits

Pursuant to 326 IAC 2-3-1(j) and 326 IAC 2-3-3(a)(5), the source must offset ozone (VOC and NO_x) emissions in accordance with the following:

- (a) The total VOC emission offsets required as a result of this project is 90.4 tons per year. The emission reduction credits shall be obtained from shutdown of the Lubes Unit at BP Amoco Oil (089-00003). If other emission reduction credits are relied upon after issuance of this permit, this permit must be amended to identify and validate those emission reduction credits. All emission reduction credits must be validated by OAM and creditable prior to startup of the source.
- (b) The total NO_x emission offsets required as a result of this project is 341 tons per year. The emission reduction credits shall be obtained from shutdown of the 76" Hot Strip Mill at Ispat Inland, Inc. (089-00316). If other emission reduction credits are relied upon after issuance of this permit, this permit must be amended to identify and validate those emission reduction credits. All emission reduction credits must be validated by OAM and creditable prior to startup of the source.
- (c) The total VOC emission offsets obtained from BP Amoco was 382 tons, only 90.4 tons were required for the project, leaving an excess of 291.6 tons. Pursuant to permit 089-12601-00316, 260 tons per year of VOC emission reduction credits were transferred to Ispat Inland Inc. The total NO_x emission offsets obtained from Ispat Inland Inc. was 350, which was exactly the amount required. Whiting Clean Energy has a zero (0) balance of NO_x and 36.1 tons of VOC emission reduction credits available until December 2003.

**Indiana Department of Environmental Management
Office of Air Management**

**Technical Support Document (TSD) for
Emission Reduction Credit Review**

Source Background and Description

Source Name: Whiting Clean Energy
Source Location: 2155 Standard Avenue, Whiting, Indiana 46394
County: Lake
Minor Source Modification: 089-12600-00449
SIC Code: 4911
Permit Reviewer: Teresa Freeman

The Office of Air Management (OAM) performed VOC and NO_x emission reduction credit (ERC) reviews involving Whiting Clean Energy, Ispat Inland Inc. and BP Amoco Oil-Whiting Refinery. These three (3) sources are all located in Lake County. On July 20, 2000, Whiting Clean Energy, Inc. was issued a permit (CP-089-11194-00449) for the construction and operation of an industrial steam and electric power cogeneration plant. The construction of this source was dependent upon the acquisition of emission offset credits for both nitrogen oxides (NO_x) and volatile organic compounds (VOC) emissions from other sources. The required emission reduction credits were obtained from the following sources:

Source	Source Air Permit ID	Facility	Emissions, tons	
			NO _x	VOC
BP Amoco - Whiting	089-00003	Lubes Unit		382
Ispat Inland, Inc.	089-00316	76" Hot Strip Mill	350	

On July 20, 2000, minor source modifications were issued to BP Amoco Oil-Whiting Refinery (089-11984-00003) and Ispat Inland Inc. (089-12491-00316) to document the transfer of the emission reduction credits and the banking of any remaining emission reduction credits for these sources cited in their respective permits.

Whiting Clean Energy	VOC (tons)	NOx (tons)
ERCs purchased from BP Amoco Oil-Whiting Refinery	382	0
ERCs purchased from Ispat Inland, Inc.	0	350
ERCs Used for Cogeneration Plant	90.4	350
ERCs Available for Sale	291.6	0
ERCs Tranferred to Ispat Inland, Inc.	260.0	0
Available ERCs until December 2003 for WCE	31.6	0

On November 29,2000, Whiting Clean Energy in a letter requested the transfer of 260 tons of VOC emission reduction credits to Ispat Inland Inc., leaving a balance of 31.6 tons of VOC emission reduction credits which Whiting Clean Energy did not use from the total emission credits they purchased from BP Amoco Oil-Whiting Refinery. The following table summarizes the availability of VOC and NOx emission reduction credits given to Whiting Clean Energy and then the VOC emission reduction credits given to Ispat Inland Inc.:

Ispat Inland Inc.	VOC (tons)	NOx (tons)
ERCs purchased from Whiting Clean Energy	260	NA
Available ERCs until December 2003	260	NA

The transfer of the 260 tons of VOC emission reduction credits from Whiting Clean Energy to Ispat Inland Inc. is reflected in Minor Source Modification 089-12601-00316 (Ispat Inland, Inc.) and Minor Permit Modification 089-12600-00449.

A modification was made to page 21of CP-089-11194-00449 as follows: (The permit language if changed has deleted language as ~~strikeouts~~ and new language as **bold**).

D.1.6 Emission Reduction Credits

Pursuant to 326 IAC 2-3-1(j) and 326 IAC 2-3-3(a)(5), the source must offset ozone (VOC and NO_x) emissions in accordance with the following:

- (a) The total VOC emission offsets required as a result of this project is 90.4 tons per year. The emission reduction credits shall be obtained from shutdown of the Lubes Unit at BP Amoco Oil (089-00003). If other emission reduction credits are relied upon after issuance of this permit, this permit must be amended to identify and validate those emission reduction credits. All emission reduction credits must be validated by OAM and creditable prior to startup of the source.
- (b) The total NO_x emission offsets required as a result of this project is 341 tons per year. The

emission reduction credits shall be obtained from shutdown of the 76" Hot Strip Mill at Ispat Inland, Inc. (089-00316). If other emission reduction credits are relied upon after issuance of this permit, this permit must be amended to identify and validate those emission reduction credits. All emission reduction credits must be validated by OAM and creditable prior to startup of the source.

- (c) **The total VOC emission offsets obtained from BP Amoco was 382 tons, only 90.4 tons were required for the project, leaving an excess of 291.6 tons. Pursuant to permit 089-12601-00316, 260 tons per year of VOC emission reduction credits were transferred to Ispat Inland Inc. The total NOx emission offsets obtained from Ispat Inland Inc. was 350, which was exactly the amount required. Whiting Clean Energy has a zero (0) balance of NOx and 36.1 tons of VOC emission reduction credits available until December 2003.**